August 17, 2006

7005 1820 0004 5364 0881 John Caleb TG Energy, Inc. 1685 H Street, #562

Blaine, Washington 98230

Dear Mr. Caleb:

Dangerous Waste Compliance Inspection at Treoil Industries, Ltd. RE:

RCRA ID#: (None) on July 11, 2006

Thank you for your time during the recent compliance inspection. The purpose of this inspection was to determine compliance with the Washington State Dangerous Waste Regulations (Chapter 173-303 WAC). These regulations establish a system for safe and responsible management of dangerous waste.

CERTIFIED MAIL

Your address

Nooksack

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As we discussed after the inspection, several areas were not in compliance with the Dangerous Waste Regulations at Treoil Industries, Ltd. These areas are listed in the enclosed Compliance Report. To correct them, please complete the actions listed in the attached Compliance Certificate within the specified timeframes. Please be aware that failure to correct the areas that were out of compliance may result in the issuance of an administrative order and/or penalty as provided by the Hazardous Waste Management Act (RCW 70.105.080 and .095).

Please complete and submit the Compliance Certificate, along with any requested documentation, to Victoria Sutton at 3190 160th Avenue SE, Bellevue, WA, 98008-5452 by November 23, 2006 so that our records properly reflect your compliance status. Please do not hesitate to call me at (425) 649-7277 should you have questions or require clarification of any items in the Compliance Report.

Sincerely,

Victoria Sutton, Hazardous Waste Compliance Inspector Hazardous Waste and Toxics Reduction Program

VS:sd

Enclosures: Inspection Report

Designating Dangerous Waste

Step by Step, Fact Sheets for Dangerous Waste Generators

Site Identification Form

Guide for Dangerous Waste Generators

cc: Central Files / RCRA Information